

EXHIBIT

14

Message

From: Mone, Michael [/o=CAH/ou=Cardinal Health/cn=Recipients/cn=Michael.Mone]
on behalf of Mone, Michael
Sent: 9/6/2011 4:15:57 PM
To: Flanagan, Peter [Peter.Flanagan@cardinalhealth.com]; DeLorenzo, Marc [Marc.DeLorenzo@cardinalhealth.com]
Subject: RE: New pharmacy applications surge

Thanks Peter

Why we have to really do excellent due diligence

Michael

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From: Flanagan, Peter
Sent: Tuesday, September 06, 2011 12:13 PM
To: Mone, Michael; DeLorenzo, Marc
Subject: Fw: New pharmacy applications surge

FYI

Peter

From: Pita, Eduardo
Sent: Tuesday, September 06, 2011 10:06 AM
To: Linaweaver, Debra; Cumberland, Kelli; Boatright, Scott
Cc: Flanagan, Peter
Subject: New pharmacy applications surge

Very important read for the coming months...

OrlandoSentinel.com

Loophole for pain clinics? New pharmacy applications surge

In recent months, Florida was home to half of the nation's new pharmacy applications, the U.S. Drug Enforcement Administration reports.

By [Amy Pavuk](#), Orlando Sentinel

11:52 PM EDT, September 5, 2011

A new Florida law aimed at curbing the state's prescription-drug epidemic by banning most doctors from selling painkillers at their offices is raising concerns that rogue physicians and entrepreneurs are moving into the pharmacy business.

The number of applications filed with the U.S. Drug Enforcement Administration to open new pharmacies in Florida has surged, according to data recently obtained by the Orlando Sentinel.

In recent months, Florida was home to half of the nation's new pharmacy applications, DEA reported.

For the first half of this year, 217 applications were filed with DEA for new pharmacies — excluding chains — in Florida. During the same period in 2010, there were 159 such applications. From Jan. 1 to July 1, 2009, there were 127 applications.

"It's alarming," said Sen. Mike Fasano, the New Port Richey Republican who sponsored the anti-pill-mill legislation that prohibits doctors from dispensing some of the most abused drugs from their offices.

Though DEA won't publicly release detailed pharmacy-application information, officials say they won't be surprised if some of these new businesses are tied to pill mills or unscrupulous medical practices.

"It tells you that the criminal mind, the criminal out there, will do anything they can, regardless of putting a life at risk. They don't care about life. If they did, they wouldn't be doing what they're doing."

Years of lax state laws and a proliferation of pain-management clinics helped make Florida a hospitable place for prescription-drug dealers and abusers.

Last year, 90 of the top 100 oxycodone-purchasing physicians in the nation were from Florida.

Legislators took action, and earlier this year, Gov. Rick Scott signed the comprehensive anti-pill-mill bill, which also toughens criminal and administrative penalties against doctors who illegally prescribe drugs.

Those who closely follow Florida's prescription-drug epidemic say it isn't surprising that the number of new pharmacies is on the rise now.

"It goes back to the historical battle of law enforcement fighting drug smuggling," said Danny Banks, assistant special agent in charge of the Florida Department of Law Enforcement's Orlando region.

"When you have a demand for a product, you will always find someone who will continue to find a way to supply that product."

Lucrative industry

Pill mills — and prescription-drug trafficking — have been a lucrative industry in Florida.

Drug agents estimate some pill mills may bring in as much as \$25,000 a day — much of that in cash. If a doctor sees 100 patients a day at \$250 each, the physician could make \$1 million annually.

Prescription-drug dealers and addicts — some of them dubbed "pillbillies" by law enforcement — travel to Florida from other states to get their fix.

Crime leaders, known as "sponsors," recruit people to doctor-shop at Florida's pain clinics, where the visits and drugs are paid for with cash.

A painkiller that goes for a few dollars on the streets of Central Florida could be sold for up to \$40 in states such as Kentucky, which monitors patient prescription history, considered a deterrent to doctor-shopping.

If there are loopholes to be found in Florida's new laws, pill-mill operators and suspect doctors will try to find them, officials predict.

"These folks are not just going to fold up their tents and go home," said Bruce Grant, who served as Florida's drug czar until Scott abolished the Office of Drug Control earlier this year. "They are going to figure out ways to continue to operate."

In Central Florida, at least four doctors have been arrested in pill-mill investigations. Drug agents are also investigating Orlando-area pharmacies.

Earlier this year, DEA agents inspected a Maitland pharmacy using an administrative warrant signed by a federal magistrate judge. That warrant is sealed, and the agency wouldn't confirm or deny whether the pharmacy is the target of a criminal investigation.

For the first half of this year, DEA received 24 applications for new pharmacies, excluding chains, for the Orlando region consisting of Orange, Osceola, Seminole, Volusia and Lake counties. That's up 41 percent from the same time last year.

DEA Assistant Special Agent in Charge Jeff Walsh said the agency's pharmacy-application process is more comprehensive today than in the past, given the nation's prescription-drug crisis.

Investigators in Central Florida tasked with reviewing applications look at a range of information on the prospective pharmacy owners, including corporate background checks. If the prospective pharmacy owner has ties to other businesses, the investigators look at those companies too, to see whether they've been run legitimately.

DEA investigators also run through "red-flag" scenarios with the pharmacy owners, such as signs that their customers may be abusing oxycodone.

DEA's application process typically takes less than a month, unless the agency uncovers items that require more-detailed investigation.

In Florida, prospective pharmacy owners have to apply for licenses with the Department of Health, too, which also reports an increase in pharmacy licenses.

For the first half of this year, the agency received 394 applications for new pharmacies, which includes chains, hospitals and nursing homes. For the same time frame last year, there were 324.

Monitoring urged

As the new wave of pharmacy applications is filed, officials are calling on the Department of Health to closely monitor the new businesses.

Michael Jackson, executive vice president and CEO of the Florida Pharmacy Association, said the state needs to watch for kickbacks and conflicts of interests with the new pharmacies and other businesses.

Jackson said some of the new pharmacy applications could be rogue physicians and clinic owners looking to expand their business ventures now that they aren't allowed to sell certain drugs from their offices.

"Some of it also could be pharmacists who see an opportunity to get into the business, and own their own business, as opposed to working for a chain," he said.

Many officials are already predicting the pharmacy element of Florida's prescription-drug epidemic will need to be addressed by lawmakers, just as pain clinics were.

"We expect for potential criminals to try to find loopholes in order to continue selling these drugs," FDLE's Banks said. "If we see that type of thing occurring, you'll probably see legislative action next year, or the year after."

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